

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE: § CHAPTER 7
§
BEAUTIFUL BROWS LLC, § Case No. 18-66766-jwc
§
Debtor. §

FINAL REPORT OF THE CHAPTER 11 TRUSTEE

S. Gregory Hays, as Trustee (the “**Trustee**”) for the bankruptcy estate (the “**Estate**”) of Beautiful Brows LLC, Debtor (the “**Debtor**”) in the above captioned case (the “**Case**”), by and through counsel, hereby submits this *Final Report of the Chapter 11 Trustee* (the “**Final Report**”) regarding the administration of the Chapter 11 Estate of the Debtor in the Case and, in accordance with Rule 1019(4) and Rule 1019(5) of the Federal Rules of Bankruptcy Procedure, provides as follows:

BACKGROUND

1. On October 3, 2018 (the “**Petition Date**”), the Debtor initiated the Case by filing a voluntary petition for relief under chapter 11 of title 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Georgia (the “**Court**”).
2. On November 21, 2018, the United States Trustee filed a Notice of Appointment of Chapter 11 Trustee and Setting of Bond [Doc. No. 46] pursuant to which S. Gregory Hays was appointed as the Chapter 11 Trustee for the bankruptcy estate of the Debtor. After the United States Trustee filed an Application for Approval of Selection of Appointment of Chapter 11 Trustee [Doc. No. 47] on November 21, 2018, the Court entered an Order Approving Appointment of Chapter 11 Trustee [Doc. No. 49] on November 26, 2018, to confirm the appointment of S. Gregory Hays as the Chapter 11 trustee in the Case.

3. On September 3, 2019, the Court converted the Case to a proceeding under Chapter 7 effective August 30, 2019 [Doc. No. 170] and directed the United States Trustee to appoint a trustee in the Chapter 7 Case.

4. On September 4, 2019, the United States Trustee filed a Notice of Appointment of Interim Trustee and Section 341(a) Meeting of Creditors [Doc. No. 171] in which S. Gregory Hays was appointed as interim trustee in the Chapter 7 Case. The Trustee remains the duly acting Chapter 7 Trustee for the bankruptcy estate of the Debtor.

5. Attached as **Exhibit A** hereto is an overview—based on information currently available to the Trustee—of the: a) assets scheduled in the Chapter 11 Case and the disposition of such assets; and b) the assets in the Chapter 7 Case.

SCHEDULE OF UNPAID DEBTS

6. The Trustee did not have a definitive schedule of all of the unpaid administrative claims incurred between the Petition Date and the date of conversion to file a report within 14 days of conversion as required under Rule 1019(5). Accordingly, the Trustee has prepared a Motion to Set Administrative Claims Bar Date to request that the Court establish a deadline by which administrative claimants—with some exceptions—may file a request for allowance of administrative expenses incurred in the Chapter 11 Case. The Trustee will review all requests that may be submitted to the Trustee for allowance and payment of asserted Chapter 11 administrative expense claims.

7. As of the date of this Final Report, the Trustee is not aware of any 503(b)(9) administrative expense claims that were pending against the Estate at the time of conversion or any other outstanding administrative expense claims other than claims by the Trustee and certain

professionals engaged by the Trustee for the payment of professional compensation and reimbursement of expenses.

8. The Trustee is aware of unpaid Chapter 11 administrative expense professional fee claims against the Chapter 11 Estate by the Trustee, Jason L. Pettie, P.C., the Law Offices of Henry F. Sewell, Jr., LLC, and Hays Financial Consulting, LLC. The Trustee is further aware that such parties will be asserting Chapter 11 administrative expense professional fee claims incident to Chapter 11 professional fee application(s) that will be filed with the Court in the near future. The approved Chapter 11 administrative expense professional fee claims will be paid, in whole or in part, by the Chapter 7 Trustee.

CLOSING OF BOOKS AND RECORDS

9. The Trustee closed the bank accounts, books and records as of the conversion date of the Case from Chapter 11 to Chapter 7. The Trustee opened new bank accounts, books and records for the Chapter 7 Case of the Debtor.

10. On September 23, 2019, the Trustee filed a Monthly Operating Report for the period from August 1, 2019, through September 3, 2019 [Docket No. 184] that set forth the amount of funds available in the Estate through September 3, 2019.

ADMINISTRATION OF ESTATE SINCE CONVERSION

11. Since the Case was converted, the Chapter 7 Trustee has continued to administer the Estate.

[Remainder of Page Intentionally Blank]

Respectfully submitted this 30th day of September, 2019.

Respectfully submitted,

LAW OFFICES OF HENRY F. SEWELL JR., LLC

/s/ Henry F. Sewell, Jr.

Henry F. Sewell, Jr.
Georgia Bar No. 636265
Buckhead Centre
2964 Peachtree Road NW, Suite 555
Atlanta, GA 30305
(404) 926-0053
hsewell@sewellfirm.com

*Counsel for S. Gregory Hays, Trustee for the bankruptcy
estate of Beautiful Brows LLC, Debtor*

Exhibit "A"

Chapter 11 Scheduled Assets	Scheduled Value	Disposition	Remaining Value
Platinum Federal Credit Union	\$42.87	Account Closed During Chapter 11 Case	\$0.00
Accounts Receivable (Over 90 Days)	\$90,000.00	Receivable from Tucker Imports. Trustee recovered and sold personal property of Tucker Imports for a gross price of \$ \$34,098. See Report of Sale.	
Misc. Office furniture and supplies located at Debtor's home office	\$1,100.00	Sold Per Order, Docket # 97.	\$0.00
Town Center at Cobb: Misc. Salon Equipment, Materials, and furnishings located at Town Center at Cobb Mall (See attached list)	\$10,803.00	Any valuable equipment recovered and sold at auction. Some salon equipment abandoned as no value to estate.	\$0.00
Mall of Ga: Misc. Salon Equipment, Materials, and furnishings located at Mall of Georgia	\$9,376.00	Mall of Georgia & Arbor Place locations and contents sold for gross price of \$285k. Docket Report of Sale #151	\$0.00
Arbor Place: Misc. Salon Equipment, Materials, and furnishings located at Arbor Place Mall	\$9,146.00	Mall of Georgia & Arbor Place locations and contents sold for gross price of \$285k. See Report of Sale on Docket #151	\$0.00
3 Laser Hair Removal Machines	\$90,000.00	Two laser hair removal machines sold in auction for \$58,040 and one sold with Business. See Docket # 151.	\$0.00
2014 Acura MDX (94,000 miles)	\$14,900.00	Sold for \$13,700	\$0.00
2013 Mercedes GL350 (86,000 miles)	\$20,500.00	Sold for \$18,100.	\$0.00
Potential claim against Arbor Place Mall for the mall's violation the exclusivity clause in Debtor's lease agreement	Unknown	Not administered	Unknown
	\$245,867.87		\$0.00
Chapter 7 Assets			Value
Cash Turned over to Chapter 7 Trustee			\$305,928.30
Funds Setoff by First Data			\$15,916.60
Avoidance Actions Claims			Unknown
			\$321,844.90

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the within and foregoing ***Final Report of the Chapter 11 Trustee*** was served via the Court's ECF system to all parties registered with the system who have filed appearances and requested notices and via first class United States Mail in prepaid envelopes on the following:

Office of the United States Trustee
c/o Lindsay P. S. Kolba, Esq.
362 Richard B. Russell Federal Building
75 Ted Turner Drive, SW
Atlanta, Georgia 30303

Dated this 30th day of September, 2019.

LAW OFFICES OF HENRY F. SEWELL JR., LLC

/s/ Henry F. Sewell, Jr.
Henry F. Sewell, Jr.
Georgia Bar No. 636265
Buckhead Centre
2964 Peachtree Road NW, Suite 555
Atlanta, GA 30305
(404) 926-0053
hsewell@sewellfirm.com

Counsel for S. Gregory Hays, Trustee for the bankruptcy estate of Beautiful Brows LLC, Debtor